

Federal Maritime Commission
Federal Maritime Commission Reorganization
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Federal Maritime Commission Chairman Harold J. Creel, Jr. announced today that the Commission has implemented a reorganization of the agency effective February 27, 2000. Chairman Creel noted that this reorganization enables the Commission to more efficiently discharge its duties in light of the recent passage of the Ocean Shipping Reform Act of 1998 ("OSRA"), which significantly altered the Commission's role overseeing the ocean transportation industry.

Chairman Creel noted that the Commission is now more streamlined, with three operating bureaus instead of four. There is no longer a Bureau of Administration; our new "Executive Director" is now directly responsible for the administrative offices of the agency, thereby eliminating an unnecessary layer of supervision. The Executive Director will serve as the executive leader of the Commission's staff, but will also provide advice on policy and internal issues.

The plan also combines certain of the functions of two prior bureaus into a single Bureau of Trade Analysis. This bureau is responsible for processing agreement filings, performing competition oversight and analysis, and providing substantive assistance regarding service contracts and tariffs. This will increase the allocation of resources to more substantive, analytical work aimed at industry practices and trends, and will have less of a focus on the technical review of filed documents. This framework will also allow the Commission to more efficiently address its responsibilities concerning the filing of service contracts and to ensure the accessibility and accuracy of carriers' automated tariff systems.

The Bureau of Consumer Complaints and Licensing is a new bureau comprised of the offices overseeing the licensing and financial responsibility of intermediaries and the certification of passenger vessels for financial responsibility, and also includes an expanded office devoted to handling consumer complaints and achieving informal resolution of disputes. Chairman Creel stated that: "I intend to involve the agency more deeply in alternative dispute resolution, conciliation, and mediation, in hopes of finding ways to settle matters without having them processed via the costly and time-consuming channels of formal adjudication. We also intend to augment our ombudsman-type services and our attention to consumer fraud. I believe this is

consistent with OSRA's intention to foster an environment in which the government facilitates statutory compliance, and initiates enforcement action to address market distorting or otherwise harmful malpractices." This new bureau will streamline the processing of license applications and certificates, and will allow the Commission to allocate more resources to and increase its oversight of the growing passenger vessel industry.

The Bureau of Enforcement remains under the reorganization plan, and the Commission intends for that Bureau to remain active and aggressive in responding to evidence of wrongdoing. Even as amended by OSRA, the Commission's statutory responsibilities include prosecuting certain proscribed acts, such as unreasonably refusing to deal or negotiate, or willfully misdescribing cargo for the purposes of paying a lower rate, or operating without the necessary financial responsibility, license or published tariff. Chairman Creel noted, however, that the Commission will work with the industry to attain compliance and to bring entities into conformity with the law, and will not aim to penalize the unwary.

Chairman Creel thanked his fellow Commissioners for their advice as the final plan was developed. He also acknowledged the contributions and efforts of the agency's senior executives throughout the entire planning process. Chairman Creel stated that: "I am very confident that our revised organizational setup and reallocation of resources will enable us to more efficiently and effectively accomplish our statutory responsibilities as charged by OSRA. We should be in a better position to focus on the policy objective embodied in the new statute."

Various personnel have been reassigned to meet the objectives of this reorganization. The supervisory changes made as a result of this reorganization are as follows:

Bruce A Dombrowski has become the Executive Director of the Commission. Florence A. Carr has become the Deputy Executive Director. Reporting directly to the Executive Director are the Office of Management Services, headed by Michael H. Kilby; the Office of Human Resources, headed by Hatsie H. Charbonneau; the Office of Budget and Financial Management, headed by Karon E. Douglass, and the Office of Information Resources Management, headed by George P. Bowers.

Austin L. Schmitt has been designated as the Director of the Bureau of Trade Analysis. The Deputy Director position is currently vacant, but will be soon filled. Reporting to him are the Office of Agreements, headed by Jeremiah D. Hospital; the Office of Economics and Competition Analysis, headed by Frank J. Schwarz; and the Office of Service Contracts and Tariffs, whose director is currently unfilled.

Sandra L. Kusumoto has been designated as the Director of the Bureau of Consumer Complaints & Licensing. Ronald D. Murphy is the Deputy Director. Reporting to them are the Office of Consumer Complaints, headed by Joseph T. Farrell; the Office of Transportation Intermediaries, headed by Betty J. Bennett; and the Office of Passenger Vessels and Information Processing, whose director is currently unfilled.

In addition, Theodore A. Zook will become Assistant Secretary, and Matthew J. Thomas, the

Assistant General Counsel for International Affairs will serve as Director of a permanent Task Force on Restrictive Foreign Practices. An organization chart reflecting the Commission's revised structure is appended to this press release.

Federal Maritime Commission

Commissioner (Merck)	Commissioner (Moran)	Chairman (Creel)	Commissioner (Won)	Commissioner (Brennan)

Office of the Secretary	Office of the General Counsel	Office of the Inspector General	Office of the Executive Director	Office of Administrative Law Judges	Office of Equal Employment Opportunity
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Bureau of Consumer Complaints and Licensing	Bureau of Enforcement			Bureau of Trade Analysis	
		<u>Area Representatives</u> New York Los Angeles Miami New Orleans Seattle			